# DECISION RECORD FOR July 2014 COMPETITIVE OIL AND GAS LEASE SALE

BLM EA Number: DOI-BLM-NV-B000-2014-0001-EA

## **INTRODUCTION**

The purpose of the action is to offer 138 of the 166 nominated parcels for competitive oil and gas leasing on public lands administered by the Battle Mountain District, Nevada, for the July 2014 Competitive Oil and Gas Lease Sale.

The sale of oil and gas leases is needed to allow continued exploration for additional petroleum reserves which would help the United States meet its growing energy needs and to enable the United States to become less dependent on foreign oil sources. This action by the Battle Mountain District implements the requirements of Executive Order 13212 and the Energy Policy Act of 2005 (Pub.L. 109-58).

#### **DECISION**

The proposed action is to include 138 parcels in the July 2014 Competitive Oil and Gas Lease Sale as described and analyzed in the environmental assessment (DOI-BLM-NV-B000-2014-0001-EA). A no action alternative was considered; however, since it would not meet the BLM's purpose and need and would not be consistent with the objectives of the Tonopah Resource Management Plan (RMP) and Record of Decision (1997) or the Shoshone Eureka RMP and associated Record of Decision (1986), it was not selected.

The BMDO staff considered leasing all 166 parcels that were originally nominated for leasing. However, during scoping, it was determined that there were specific resource conflicts and land use conflicts that would require deferring specific parcels or portions of parcels. On this basis, this alternative was eliminated from further analysis.

As a result of the analysis presented in the Environmental Assessment (EA), it is my decision to approve the proposed action which is to offer 138 nominated parcels for competitive oil and gas leasing. This decision is issued under the Federal Land Policy and Management Act of 1976, the Onshore Orders for Oil and Gas, as amended, and Part 3100 of Title 43 of the Code of Federal Regulations, and is effective immediately upon signing of this Decision Record.

A Finding of No Significant Impact (FONSI) supports this decision. The FONSI was prepared separately and accompanies this Decision Record. The proposed action coupled with lease stipulations and lease notices detailed in the EA and FONSI have led to my decision that all practicable means to avoid or minimize environmental harm have been adopted and that unnecessary or undue degradation of the public lands will not result. This decision is consistent with the Tonopah Resource Management Plan (RMP) and Record of Decision (1997) and the Shoshone Eureka RMP and associated Record of Decision (1986).

All resource values impacted by the proposed action have been evaluated for cumulative impacts. It has been determined that cumulative impacts would be insignificant for all resources

#### **CONFORMANCE**

I have determined that the proposed action is in conformance with the approved land use plans and is consistent with the applicable plans and policies of county, state, tribal and federal agencies. The proposed project is in compliance with the Federal Land Policy and Management Act (FLPMA) of 1976, the Tonopah Resource Management Plan (RMP) and Record of Decision (1997) and the Shoshone Eureka RMP and associated Record of Decision (1986), the Endangered Species Act and the National Historic Preservation Act.

### **PUBLIC INVOLVEMENT**

A copy of the EA was posted on the Battle Mountain District website on February 12, 2013 and remained accessible to the public for a 30-day comment period. As of the signing of this Decision Record, approximately 5,100 individual comment letters were received. The majority of the commenters expressed concerns with regard to site-specific impacts to wild horse and burros, water usage, hydraulic fracturing, potential ground and surface water contamination associated with exploration and development activities and a host of other concerns regarding impacts to natural resources.

While these comments did not result in any changes to the EA, the commenters were reminded that the BLM is mandated by the Federal Land Policy and Management Act (FLPMA) to prevent unnecessary and undue degradation of the public lands and the Department of the Interior's regulations at 43 CFR§ 3160 defines a wide array of rules which govern the conduct of Onshore Oil and Gas operations. Adherence to these laws and regulations would prevent or minimize the impacts of concern.

In addition, a site-specific environmental evaluation would be conducted for each oil and gas exploration and development proposal submitted by industry. If the evaluation indicates that environmental impacts would be unacceptable, either mitigation measures would be implemented as conditions of approval (COAs) to reduce the impact or the proposal could be denied to prevent unnecessary and undue degradation.

#### CONSULTATION AND COORDINATION

Native American consultation letters for the July 2014 Lease Sale were sent on December 16, 2013. They were sent to Battle Mountain Band, South Fork Band, Duckwater Shoshone Tribe, Yomba Shoshone Tribe, Ely Shoshone Tribe, Timbisha Shoshone Tribe, and Fallon Pointe Shoshone Tribe. On January 22, 2014, resource specialists met with a representative of the Duckwater Shoshone Tribe, and descendants of the Big Smokey Valley Tribe. Lease parcels of interest to the tribes were visited on that day. On January 8, 2014 BLM also received a letter from the Yomba Shoshone Tribe. A meeting has been scheduled for February 14, 2014.

During the course of this government to government consultation meeting with the Yomba

Tribal Council, Tim Coward, Tonopah Field Office Manager, updated the council on the proposed oil and gas lease sale. He discussed the leasing process, the role of lease stipulations in the protection of natural and cultural resources, the Application for Permit to Drill (APD) process, cultural resources review, and the site-specific evaluation process.

Nevada Department of Wildlife (NDOW) was informed of the lease sale on December 13, 2013. A response letter was received from NDOW on January 27, 2014.

## **RATIONALE**

- 1. The BLM has the responsibility to conduct competitive oil and gas lease sales to allow individuals or companies to explore for and develop oil and gas resources under the Mineral Leasing Act of 1920, as amended, Mining and Minerals Policy Act of 1980, the Federal Onshore Oil and Gas Leasing Reform Act of 1987, FLPMA, and National Environmental Policy Act of 1969.
- 2. The recommendation to offer 138 nominated parcels for competitive oil and gas leasing meets the stated objective for Fluid Minerals in the Tonopah RMP:

"To provide opportunity for exploration and development of fluid minerals such as oil, gas, and geothermal resources, using appropriate stipulations to allow for the preservation and enhancement of fragile and unique resources".

The Proposed Action also in conformance with the Tonopah RMP because it has been determined that the lease parcels are a subset of:

"[The] total of 5,360,477 acres (88% of the Tonopah Planning Area)[that] is open to fluid minerals leasing subject to standard terms and conditions (p.22)."

The Proposed Action is also in conformance with the Shoshone-Eureka RMP Part II, Section E, Management Actions Not Expressly Addressed by the Resource Management Plan, which includes Minerals Objectives and Management Decisions brought forward unaltered from the Management Framework Plan (Record of Decision p. 29). Minerals Objectives 1, 2, and 3 led to Management Decisions 1 through 5 for leasable minerals (oil and gas). The objectives are as follows:

Objective 1: Make available and encourage development of mineral resources to meet national, regional, and local needs consistent with national objectives for an adequate supply of minerals.

Objective 2: Assure that mineral exploration, development, and extraction are carried out in such a way as to minimize environmental and other resource damage and to provide, where legally possible, for the rehabilitation of lands.

Objective 3: Develop detailed mineral resource data in areas where different resources conflict so that informed decisions may be made that result in optimum use of the lands

Management Decision #4, specifically addresses oil	2 2
designated by the BLM as prospectively valuable fo	or oil and gas will be open to leasing except
as modified by other resources."	
Gary Johnson	Date
Deputy State Director, Minerals Management	